

# SENATE BILL No. 365

June 5, 1991, Introduced by Senator CISKY and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend section 26 of Act No. 278 of the Public Acts of 1909, entitled as amended

"An act to provide for the incorporation of villages and for revising and amending their charters; to provide for the levy and collection of taxes, borrowing of money, and issuance of bonds and other evidences of indebtedness; and to validate bonds issued and obligations previously incurred,"

being section 78.26 of the Michigan Compiled Laws; and to add section 24c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 26 of Act No. 278 of the Public Acts of  
2 1909, being section 78.26 of the Michigan Compiled Laws, is  
3 amended and section 24c is added to read as follows:

4       SEC. 24C. A VILLAGE MAY ACQUIRE BY PURCHASE OR CONDEMNATION  
5 PURSUANT TO THE UNIFORM CONDEMNATION PROCEDURES ACT, ACT NO. 87  
6 OF THE PUBLIC ACTS OF 1980, BEING SECTIONS 213.51 TO 213.77 OF  
7 THE MICHIGAN COMPILED LAWS, LAND OUTSIDE ITS CORPORATE LIMITS

1 NECESSARY FOR THE DISPOSAL OF SEWAGE OR THE OBTAINING OR  
2 PROTECTION OF A WATER SUPPLY FOR THE VILLAGE OR THE INHABITANTS  
3 OF THE VILLAGE IF THE PROPOSED USE WILL NOT MATERIALLY INJURE THE  
4 HEALTH OR SAFETY OF THE PERSONS LIVING ADJACENT TO THE LAND.

5       Sec. 26. (1) ~~No~~ A village shall ~~have power~~ NOT DO ANY  
6 OF THE FOLLOWING:

7       (a) ~~To submit~~ SUBMIT to the electors a charter or a revi-  
8 sion ~~thereof~~ OF A CHARTER more often than once in every 2 years  
9 ~~, nor unless it shall be filed~~ OR FILE IT with the village  
10 clerk LESS THAN 90 days before the election. This ~~provision~~  
11 ~~shall~~ SUBDIVISION DOES not apply to the submission and resubmis-  
12 sion of charters to villages ~~which~~ THAT may be incorporated  
13 under this act until they ~~shall~~ have ~~first~~ adopted a  
14 charter.

15       (b) ~~To call~~ CALL more than 2 special elections within 1  
16 year. This prohibition ~~shall~~ DOES not apply to elections  
17 ~~which~~ THAT may be held in the submission and resubmission of  
18 charters to villages ~~which~~ THAT may be incorporated under this  
19 act until they ~~shall~~ have ~~first~~ adopted a charter.

20       (c) ~~To change~~ CHANGE the salary or emoluments of a public  
21 official after his OR HER election or appointment, or during his  
22 OR HER term of office, where the office is held for a fixed term,  
23 nor shall the term of a public official be shortened or extended  
24 beyond the period for which he OR SHE is elected or appointed,  
25 unless he ~~be~~ OR SHE IS removed for cause.

26       (d) ~~To adopt~~ ADOPT a charter or amendment ~~thereto~~ TO A  
27 CHARTER, unless approved by a majority of the electors voting

1 ~~thereon~~ ON THE CHARTER OR AMENDMENT at a general or special  
2 election.

3 (e) ~~To authorize~~ AUTHORIZE an issue of bonds, except spe-  
4 cial assessment bonds, bonds for the village portion of local  
5 improvements, not to exceed 40% of the cost of the improvement,  
6 refunding bonds, bonds for relief from fire, flood, or calamity,  
7 or for payment of judgments, and bonds ~~which~~ THAT the legisla-  
8 tive body is authorized by specific statute to issue without vote  
9 of the electors, unless approved by a majority of the electors  
10 voting thereon at a general or special election.

11 (f) ~~To adopt~~ ADOPT a scheme for exemption from municipal  
12 taxation.

13 ~~(g) A village, whether incorporated under this act or under~~  
14 ~~an existing charter of the village heretofore granted or passed~~  
15 ~~by the legislature for the government of a village, may acquire,~~  
16 ~~by purchase or condemnation proceedings, land without its corpo-~~  
17 ~~rate limits necessary for the disposal of sewage or the obtaining~~  
18 ~~or protection of a water supply for the village or the inhab-~~  
19 ~~itants thereof. The jury in condemnation proceedings shall con-~~  
20 ~~sist of 12 freeholders drawn from the body of the county, and if~~  
21 ~~they shall determine that such use is necessary, and that the use~~  
22 ~~proposed will not materially injure the health or safety of the~~  
23 ~~persons living adjacent to the land, they shall award the compen-~~  
24 ~~sation to be paid therefor. Other proceedings in such cases~~  
25 ~~shall conform to the general law authorizing cities and villages~~  
26 ~~to take or hold land or property within their corporate limits.~~

1 (G) ~~(h) To repudiate~~ REPUDIATE a debt by a change in its  
2 charter or by consolidation with any other municipality.

3 (H) ~~(i) To incur~~ INCUR indebtedness by the issue of bonds,  
4 or otherwise, in a sum ~~which~~ THAT, including existing indebted-  
5 ness, exceeds 10% of the assessed valuation of the real and per-  
6 sonal property within the village subject to taxation, as shown  
7 by the last preceding assessment roll of the village. Bonds  
8 issued in anticipation of the collection of special assessments,  
9 even though they are a general obligation of the village, motor  
10 vehicle highway fund bonds, revenue bonds, and bonds issued, or  
11 contract or assessment obligations incurred, to comply with an  
12 order of the water resources commission or a court of competent  
13 jurisdiction, even though they are a general obligation of the  
14 village, ~~and~~ bonds issued, or contract or assessment obliga-  
15 tions incurred, for water supply, sewerage, drainage, or refuse  
16 disposal projects necessary to protect the public health by abat-  
17 ing pollution, even though they are a general obligation of the  
18 village, ~~shall~~ AND BONDS ISSUED PURSUANT TO THE MUNICIPAL POL-  
19 LUTION CONTROL FINANCING ACT ARE not ~~be~~ included in this  
20 limitation. ~~Moneys~~ MONEY on hand in a sinking fund limited to  
21 the payment of indebtedness may be treated as a reduction of the  
22 indebtedness to that extent. In case of fire, flood, or other  
23 calamity requiring an emergency fund for the relief of the inhab-  
24 itants of the village, or for the repairing or rebuilding of any  
25 of its municipal buildings, works, bridges, or streets, the leg-  
26 islative body of the village may borrow money due in not more  
27 than 3 years and in an amount not exceeding 1/4 of 1% of the

1 assessed valuation of the village, notwithstanding THAT the loan  
2 may increase the indebtedness of the village beyond the limita-  
3 tions fixed by its charter or in this act. ~~When~~ IF a village  
4 is authorized to acquire or operate a public utility, it may  
5 issue mortgage bonds ~~therefor~~ FOR THAT PURPOSE beyond the gen-  
6 eral limit of bonded indebtedness prescribed by law. The mort-  
7 gage bonds issued beyond the limit of general indebtedness pre-  
8 scribed by law shall not impose a liability upon the village, but  
9 shall be secured only upon the property and revenues of the  
10 public utility, including a franchise, stating the terms upon  
11 which, in case of foreclosure, the purchaser may operate the  
12 ~~same~~ PUBLIC UTILITY, which franchise shall ~~in no case~~ NOT  
13 extend for a period longer than 20 years from the date of the  
14 sale of the PUBLIC utility and franchise on foreclosure. ~~All~~  
15 ~~bonds heretofore~~ BONDS issued, or contract or assessment obliga-  
16 tions ~~heretofore~~ incurred, BEFORE JULY 31, 1973 are ~~hereby~~  
17 validated.

18 (I) ~~(j) To lay~~ LAY or collect taxes for municipal purposes  
19 except as otherwise provided by law, at a rate in excess of 2% of  
20 the assessed value of all real and personal property in the  
21 village.

22 (J) ~~(k) To issue~~ ISSUE bonds without creating a sinking  
23 fund for the payment of the ~~same~~ BONDS, except special assess-  
24 ment bonds ~~which~~ THAT are a charge upon a special district cre-  
25 ated for the payment ~~thereof~~ OF THE BONDS, and serial bonds  
26 payable annually.

1       Section 2. This amendatory act shall not take effect unless  
2 Senate Bill No. 364  
3                   of the 86th Legislature is enacted into law.